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August 11, 2016

**VIA FEDERAL EXPRESS**

Los Angeles County Board of Supervisors  
Attention: Ms. Lori Glasgow, Executive Officer-Clerk  
500 W. Temple Street, Room 383  
Los Angeles, CA 90012

Los Angeles County Registrar-Recorder/County Clerk  
Attention: Dean C. Logan  
Election Coordination Section  
12400 Imperial Highway, Room 3207  
Norwalk, California 90650

Re: School Facilities Improvement District No. 2016-1 of the  
Local Public Schools Funding Authority - Order for Bond Election

Dear Ms. Glasgow and Mr. Logan:

We are currently acting as Bond Counsel to the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority. Original signed copies of the Resolution Calling Bond Election (the "Resolution") and of the Tax Rate Statement will be submitted separately to your office today. The bond election is scheduled for November 8, 2016. Please note that the bond election is a Proposition 39 election, not a Proposition 46 election.

The Bond Measure, which is to appear on the notice of election and upon the ballot on November 8, 2016, in accordance with the Order for Bond Election, is as follows:

**"To protect students from earthquakes, asbestos, lead paint and other safety hazards, enhance opportunities for career and academic success at schools, including Hawthorne, Lawndale and Leuzinger High Schools, shall the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority issue \$110 million in bonds, at legal rates, to modernize and construct schools, including classrooms, science labs and arts facilities, replace aging plumbing, electrical, and security systems, with mandatory audits and independent citizen oversight, ensuring funds stay local with no money for administrator salaries?"**

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

54 September 13, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

Los Angeles County Board of Supervisors  
Los Angeles County Registrar-Recorder/County Clerk  
August 11, 2016  
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The full Ballot Measure and the associated Project List are attached to the form of Resolution.

If you should have any questions, please feel free to call me at (415) 984-8358.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized capital 'G' followed by a horizontal line extending to the right.

Graham M. Beck

cc: Thomas R. Parker, Esq., Deputy County Counsel  
Gregory O'Brien, Ph.D., Superintendent of Centinela Valley Union High School District  
Thomas Johnstone, Ed.D., Superintendent of Wiseburn Unified School District  
Debra Duardo, M.S.W, Ed.D., Los Angeles County Superintendent of Schools

**Local Public Schools Funding Authority**  
**14901 South Inglewood Avenue**  
**Lawndale, CA 90260**  
**310-263-3220**

August 12, 2016

**HAND-DELIVERED**

Los Angeles County Board of Supervisors  
Attention: Ms. Lori Glasgow, Executive Officer-Clerk  
500 W. Temple Street, Room 383  
Los Angeles, CA 90012

Los Angeles County Registrar-Recorder/County Clerk  
Attention: Mr. Dean Logan  
Election Coordination Section  
12400 Imperial Highway, Room 3207  
Norwalk, California 90650

Re: School Facilities Improvement District No. 2016-1 of the  
Local Public Schools Funding Authority - Order for Bond Election

Dear Ms. Glasgow and Mr. Logan:

Enclosed please find the Local Public Schools Funding Authority Board of Directors Resolution No. 16-17/005: "RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY, ACTING AS THE LEGISLATIVE BODY OF THE SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2016-1 OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY ORDERING AN ELECTION TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016" adopted on August 11, 2016 calling for a November 8, 2016 local bond election. Also enclosed is our Tax Rate Statement.

The full Ballot Measure and the associated Project List are attached to the form of Resolution, which we expect to be printed in its entirety in each sample ballot/voter pamphlet.

By this letter we are formally requesting to review a proof of the ballot statement language, the full text of the ballot proposition, impartial analysis and ballot arguments that would appear in the voter pamphlet prior to publishing. Please direct this proof to the undersigned as soon as it is available.

Education Code Section 15122.5 is applicable and we request that the County include the following "State Matching Funds" language in the ballot or voter pamphlet (inserting the letter assigned to the Measure):

## Local Public Schools Funding Authority

Los Angeles County Board of Supervisors  
Los Angeles County Registrar-Recorder/County Clerk  
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“Approval of Measure \_\_\_\_ does not guarantee that the proposed project or projects in the Authority, the Improvement District, or the District that are the subject of bonds under Measure \_\_\_\_ will be funded beyond the local revenues generated by Measure \_\_\_\_\_. The school district’s proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.”

We would be more than happy to provide you with the resolution electronically in order to facilitate your work, or to assist with this process in any other manner.

This letter also authorizes you to contact our Bond Counsel, Graham Beck of Nixon Peabody LLP at (415) 984-8358 if you have any questions or concerns.

Very truly yours,



Ron Hacker  
Treasurer, Local Public Schools Funding Authority  
Assistant Superintendent, Business Services, Centinela Valley UHSD

Enclosures

cc: Thomas R. Parker, Esq., Deputy County Counsel  
Gregory O'Brien, Ph.D., Superintendent of Centinela Valley Union High School District  
Thomas Johnstone, Ed.D., Superintendent of Wiseburn Unified School District  
Debra Duardo, M.S.W, Ed.D., Los Angeles County Superintendent of Schools  
Alex Olvera, Division Manager, Election Information and Preparation

**RESOLUTION NO. 16-17/005**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY, ACTING AS THE  
LEGISLATIVE BODY OF THE SCHOOL FACILITIES IMPROVEMENT DISTRICT NO.  
2016-1 OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY  
ORDERING AN ELECTION TO AUTHORIZE THE  
ISSUANCE OF GENERAL OBLIGATION BONDS, ESTABLISHING SPECIFICATIONS  
OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION  
WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016**

**WHEREAS**, the Local Public Schools Funding Authority (the “**Authority**”) a joint exercise of powers authority organized pursuant to Section 6500 *et seq.* of the California Government Code and Joint Exercise of Powers Agreement of the Authority, dated April 30, 2012 (the “**JPA Agreement**”), between the Centinela Valley Union High School District (the “**District**”) and the Wiseburn Unified School District, as successor to the Wiseburn School District (“**Wiseburn**” and, together with the District, the “**Districts**”), each of which are members of the Authority, has established School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority (the “**Improvement District**”) located within Los Angeles County, California (the “**County**”) pursuant to Resolution No. 16-17/004 adopted by this Board of Directors of the Authority (the “**Board**”) and Section 15300 *et seq.* of the Education Code of the State of California (the “**Education Code**”); and

**WHEREAS**, the Board wishes to provide additional funding for the improvement, construction, equipping and furnishing of its facilities to protect students from earthquakes; remove asbestos, lead paint, and other safety hazards from schools; enhance opportunities for career and academic success at schools, including Hawthorne, Lawndale and Leuzinger High Schools; modernize and construct schools, including classrooms, science labs and arts facilities; replace aging plumbing, electrical, and security systems within the boundaries of the Improvement District; and

**WHEREAS**, in the judgment of the Board, it is advisable to call an election to submit to the electors of the Improvement District the question of whether bonds of the Improvement District shall be issued and sold for the purpose of funding the construction, reconstruction, rehabilitation and replacement of District facilities, including the furnishing or equipping of such facilities, or the acquisition or lease of real property for such facilities and paying costs incident thereto; and

**WHEREAS**, pursuant to the provisions of Proposition 39, adopted by the voters of the State of California (the “**State**”) on November 7, 2000 (“**Proposition 39**”), comprising Article XIII A, Section 1, paragraph (b) of the California Constitution (“**Article XIII A**”), the Improvement District may incur bonded indebtedness upon the vote of fifty-five percent (55%) or more of the qualified electors of the Improvement District voting on the proposition; and

**WHEREAS**, pursuant to the provisions of the JPA Agreement, Education Code Section 15300 *et seq.* (the “**Improvement District Act**”) and Education Code Section 15264 *et seq.* (the

“Act”), the Improvement District may call an election for the purpose of seeking voter approval for the issuance of general obligation bonds by the Improvement District; and

**WHEREAS**, the Board of Supervisors of the County has adopted a resolution causing the provisions of the Improvement District Act to be applicable to the Improvement District and the Authority; and

**WHEREAS**, pursuant to the Act and Education Code Section 35586, the Board is specifically authorized, upon approval by two-thirds (2/3) of the members of the Board, to submit to the electorate of the Improvement District the question of whether bonds of the Improvement District shall be issued and sold for specified purposes pursuant to paragraph (3) of said subdivision (b) of Section 1 of Article XIII A and subdivision (b) of Section 18 of Article XVI of the California Constitution; and

**WHEREAS**, the Board desires to make certain findings to be applicable to the within election order and to establish compliance with Proposition 39 and the applicable requirements of the Education Code and the Elections Code of the State (the “**Elections Code**”), as further specified herein; and

**WHEREAS**, pursuant to Section 10403 *et seq.* of the Elections Code, the Board now deems it appropriate and necessary to request consolidation of the election authorized hereby (the “**Election**”) with any and all other elections to be held on November 8, 2016, and to request the Registrar of Voters (the “**Registrar of Voters**”) of the County to perform certain election services for the Improvement District and the Authority;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY, ACTING AS THE LEGISLATIVE BODY OF THE SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2016-1 OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

**Section 1. Call for Election.** The Board hereby orders an election and submits to the electors of the Improvement District the question of whether general obligation bonds of the Improvement District shall be issued and sold in one or more series from time to time in the aggregate principal amount not to exceed \$110,000,000 for the purpose of raising money for construction, reconstruction, rehabilitation and replacement of District facilities, including the furnishing or equipping of such facilities, or the acquisition or lease of real property for such facilities and paying costs incident thereto, as set forth more fully in a ballot proposition approved pursuant to Section 4 below.

**Section 2. Order of Election.** This Resolution shall stand as the order to the Registrar of Voters to call the Election within the boundaries of the Improvement District on November 8, 2016. The Registrar of Voters is hereby requested, pursuant to Section 5322 of the Education Code, to take all steps to call and hold the Election in accordance with law and these specifications.

**Section 3. Election Date and Consolidation.** The date of the Election shall be November 8, 2016, and the Election shall be held solely within the boundaries of the Improvement District. Pursuant to Section 15121 of the Education Code and Part 3 (commencing with Section

10400) of Division 10 of the Elections Code, the Board of Supervisors of the County is requested to order consolidation of the school bond election ordered herein with such other elections as may be held on the same day in the same territory or in territory that is in part the same.

**Section 4. Purpose of Election; Ballot Proposition.** The purpose of the Election shall be for the voters of the Improvement District to vote on a proposition, a full copy of which is attached hereto as **Exhibit A** (the “**Bond Measure**”), and incorporated by reference herein, containing the question of whether the Improvement District shall issue the Bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. The Registrar of Voters is hereby requested to reprint **Exhibit A** hereof in its entirety in the voter information pamphlet to be distributed to voters. As required by Elections Code Section 13247, the abbreviated form of the Bond Measure to appear on the ballot is attached hereto as **Exhibit B**. District’s Superintendent and Assistant Superintendent, Business Services (or the designee of either of them) are each hereby authorized and directed to make any changes to the text of the proposition or its abbreviated form as required to comply with the intent of this Resolution, the requirements of election officials, and requirements of law.

**Section 5. The Bonds.** (i) The maturity of any bonds issued pursuant to the Bond Measure and under Chapter 1.5, Part 10, Division 1, Title 1 of the Education Code (commencing with Section 15264), as amended, and Article XIII A shall not exceed twenty-five (25) years and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum, and (ii) the maturity of any bonds issued pursuant to the Bond Measure and under Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as amended, applicable provisions of the Education Code and Article XIII A of the California Constitution shall not exceed forty (40) years, or, in the case of bonds, the interest on which is compounded, twenty-five (25) years, and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum.

**Section 6. Authority for Election.** The authority for ordering the Election is contained in the Act, Article XIII A, Section 1, paragraph (b), subsection (3) of the California Constitution, and Section 53506 *et seq.* of the California Government Code. The authority for the specification of this election order is contained in Education Code Section 5322.

**Section 7. School Facilities Projects.** A list of the specific capital projects (the “**Projects**”) to be funded from the proceeds of the Bonds is set forth in **Exhibit A** (the “**Project List**”). As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class-size reduction and information technology needs of the Authority, the Improvement District, and the District in developing the list of capital projects set forth in **Exhibit A**. The Improvement District understands that the costs of administering the Election, managing construction projects and costs of issuance of the Bonds shall be lawful charges against proceeds of sale of the Bonds.

**Section 8. Covenants of the Board Upon Approval of the Bonds by the Electorate.** As required by Article XIII A and Section 15278 of the Act, if fifty-five percent (55%) or more of the voters of the Improvement District voting on the Bond Measure approve the Bond Measure, the Board shall:

- (a) Use the bond proceeds only for the purposes of construction, reconstruction, rehabilitation, or replacement of District facilities, including the furnishing and

equipping of such facilities, or the acquisition or lease of real property for such facilities, as specifically set forth in **Exhibit A**, and not for any other purpose, including teacher and administrator salaries and other District operating expenses;

(b) Conduct an annual, independent performance audit to ensure that the Bond proceeds have been expended only on the capital projects listed in **Exhibit A**;

(c) Conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for capital projects listed in **Exhibit A**;

(d) Establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act; and

(e) Limit the amount of bonds issued pursuant to the Bond Measure so that the tax rate on taxable property located within the Improvement District required to repay such bonds will not, based on the Improvement District's reasonable expectations, exceed \$30 per \$100,000 of assessed value.

**Section 9. Delivery of this Resolution.** The Clerk of this Board or Treasurer of the Authority is hereby authorized and directed to send or hand-deliver a completed and certified copy of this Resolution to each of the Superintendent of Schools of the County, the Clerk of the Board of Supervisors of the County and the Registrar of Voters no later than August 12, 2016.

**Section 10. Tax Rate Statement; Ballot Arguments.** Any one of the Superintendent of District, the Chairperson of the Board of Directors of the Authority, or their designees, is hereby authorized to execute the Tax Rate Statement attached hereto as **Exhibit C** and any other required documents and to perform all acts necessary to place the Bond Measure on the ballot. The Tax Rate Statement shall be delivered to the Registrar of Voters on or before August 12, 2016. Any member of the Board is hereby authorized to act as an author of or signer to any ballot argument prepared in connection with the Election, including a rebuttal argument.

**Section 11. Consolidation of Election; Election Services.** Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the Registrar of Voters, or other appropriate officials of the County, to render all services necessary in connection with the Election including, but not limited to, publication of a Formal Notice of School Bond Election pursuant to Education Code 5363 and related law, the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code), the opportunity to submit ballot arguments in connection with the Election, the canvassing and certification of the returns of the Election, and other ballot requirements pursuant to Education Code Section 15123, for which services the Improvement District agrees to reimburse the County as required by law.

**Section 12. Reimbursement of Qualified Project Expenditures.** The Board presently intends and reasonably expects to have tax-exempt obligations (the "**Obligations**") issued on its behalf no later than 18 months of (i) the date of the expenditure of moneys, if any, made with respect to the Projects outlined in the Project List or (ii) the date upon which the Project for which expenditures are to be reimbursed is placed in service or abandoned, whichever is later (but in no

event more than 3 years after the date the original expenditure of such moneys is paid), and to allocate an amount of the proceeds thereof not to exceed \$110,000,000 to reimbursable expenditures in connection with the Projects, as may be qualified under the provisions of Section 1.150-2 of the Treasury Regulations of the Internal Revenue Service (the “**Reimbursable Expenditures**”). All of the Reimbursable Expenditures covered by this Section were paid not earlier than 60 days prior to the date of this Resolution or constitute preliminary expenditures within the meaning of Section 1.150-2 of the Treasury Regulations. The Board intends to allocate within 30 days after the date of issue of the Obligations, the proceeds therefrom to reimburse the Improvement District for the Reimbursable Expenditures. With respect to the proceeds of the Obligations allocated to reimburse the Improvement District for prior expenditures, the Board hereby covenants not to employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of replacement proceeds, as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

The above provisions are made solely for the purpose of establishing compliance with the requirements of said Section 1.150-2 of the Treasury Regulations. This provision does not bind the Improvement District or the Board to make any expenditure, incur any indebtedness, or proceed with the financing, acquisition or construction of the Projects.

**Section 13. Bond Counsel.** The Board hereby approves the retention of Nixon Peabody LLP as bond counsel in connection with the Election and subsequent issuances of bonds thereunder.

**Section 14. Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of the Local Public Schools Funding Authority, on behalf of the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority at a special meeting thereof held on the 11th day of August, 2016, at which a quorum of the Board of Directors was present and acting throughout, by the following vote.

AYES: MEMBERS: Rojas, Ramos, Mora, Santos, Mirabal

NOES: MEMBERS: Kaneda

ABSENT: MEMBERS: \_\_\_\_\_

ABSTAIN: MEMBERS: \_\_\_\_\_

HON. HUGO M. ROJAS II

Hugo M. Rojas II  
Chairperson of the Board of Directors

ATTEST:

  
Gloria A. Ramos  
Clerk of the Board of Directors

## **EXHIBIT A**

### **FULL TEXT BALLOT PROPOSITION OF THE SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2016-1 OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY BOND MEASURE ELECTION FOR NOVEMBER 8, 2016**

To protect students from earthquakes, asbestos, lead paint and other safety hazards, enhance opportunities for career and academic success at schools, including Hawthorne, Lawndale and Leuzinger High Schools, shall the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority issue \$110 million in bonds, at legal rates, to modernize and construct schools, including classrooms, science labs and arts facilities, replace aging plumbing, electrical, and security systems, with mandatory audits and independent citizen oversight, ensuring funds stay local with no money for administrator salaries?

### **PROJECT LIST**

The Board of Directors of the Local Public Schools Funding Authority, acting on behalf of the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority, evaluated the District's urgent and critical school needs, including school and student safety issues, enrollment trends, class size, high school overcrowding, energy efficiency and computer technology, school safety from gangs, crime and drugs, seismic safety requirements, and aging, outdated or deteriorating school buildings in developing the scope of projects to be funded. The Project List set forth below is an integral part of this measure.

Proceeds from the sale of bonds will be used for the following specific schools facilities projects, including the repayment of lease obligations which financed any of the following projects:

#### School Health and Safety, Earthquake Safety and Energy Efficiency School Projects

- Remove or abate all asbestos, lead paint, mold and all hazardous materials.
- Upgrade fire alarm systems to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors.
- Upgrade water system so there is safe drinking water on all campuses.
- Upgrade to schools to meet handicap accessibility requirements.
- Strengthen and repair older schools and classrooms vulnerable to serious damage in a major earthquake, as required by State law.
- Inspect for/repair gas pipe leaks.
- Install new security systems, such as security (surveillance) cameras, outdoor lighting, and classroom door locks.
- Replace/upgrade existing security systems.

- Fix school drainage systems to stop flooding during rain season.
- Install energy efficient systems.
- Replace existing window systems with energy efficient systems.
- Relocate or improve student drop-off areas for safety, including a separate area for buses.
- Inspect and improve play area fields for safety and drainage.
- Replace existing doors and doorframes.
- Add emergency exits for faster evacuation in an emergency.
- Upgrade school site parking, utilities and grounds.
- Repair termite damage to structures and doors/doorframes.
- Install pedestrian bridges, fencing and signage.
- All other construction, installation, and maintenance projects as needed for health and safety.

#### School Renovation, Repair and Upgrade Projects

- Replace existing wiring systems to meet current electrical and accessibility codes and increased capacity and allow computers in classroom.
- Additional electrical service capacity to relieve currently overloaded electrical systems.
- Replace existing water, sewer and plumbing systems to meet current codes, including the elimination of lead-containing fixtures.
- Upgrade aging and deteriorating school restrooms.
- Replace older heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.
- Install code-compliant ventilating systems in restrooms.
- Provide improved, upgraded computer labs.
- Upgrade and equip classrooms, science labs, multipurpose rooms, physical education facilities, kitchens, auditoriums, libraries, arts and music rooms, childcare, preschool, adult education and educational support spaces.
- Classroom interiors will receive new paint, carpet/vinyl tile/asbestos abatement, white marker boards, tackable surfaces, storage-for instructional materials and equipment.
- Repair, upgrade and replace worn-out leaking roofs.
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, staff and student restrooms, relocation of some existing electrical devices.
- Replace old, portable classrooms.

- Repair aging schools.
- All other projects for the renovation, repair and upgrade of deteriorating, outdated school buildings, cafeterias and food services facilities, gymnasium and athletic facilities, performing arts facilities, science labs, classrooms, computer learning centers and school libraries and equipment.

Wiring and Instructional Technology  
For Effective Learning Environment Projects

- Upgrade and expand electrical systems, telecommunications, Internet and network connections, so all classrooms can have computers.
- All other projects for the installation, repair and upgrade of modern technology infrastructure to improve current instruction methods and to expand job training programs.

Childcare and After-School Facilities Projects

- Development and acquisition of facilities and equipment to offer training to students for jobs in health, engineering and other professions.
- Remodel and improve existing childcare and after-school program facilities.
- Upgrade technology used in job training programs.

New Construction, Development and Joint Use Projects

- Construction, development and acquisition of multi-purpose rooms, gymnasium and athletics facilities, media centers, visual and performing arts facilities, cafeterias and food services facilities, staff and student bathrooms, storage, educational support spaces, classrooms and classroom buildings, and parking lots for staff and visitors.
- Construction and development of additional electrical service capacity.
- Construction, development and acquisition of joint-use facilities which may include libraries, child care centers, multi-purpose rooms, aquatics center, gymnasiums and athletics facilities, media centers, visual and performing arts facilities, and health care facilities.
- Construction, development and acquisition of facilities for administrative offices, adult education and vocational training.
- Site demolition and grading as necessary for construction and development of facilities.

The projects listed above will be completed as needed. Each project will include its share of architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the projects stated above, proceeds from the sale of bonds will also be used for payment of facility related construction costs which have been determined to be owed by the Authority, the Improvement District, or the District, as applicable, judicially or by mediation, arbitration or

settlement, the acquisition of land, the acquisition and releasing of pool facilities, the remodeling of administrative support spaces, the payment of the costs of preparation of all facility planning, facility assessment reviews, facility master plan updates, environmental studies (including environmental investigation, remediation and monitoring) and construction documentation, the acquisition or prepayment of outstanding ground leases, acquiring and leasing of real property for school facilities, including the purchase of leased facilities and the refinancing of outstanding lease obligations, including, but not limited to, the refinancing of Centinela Valley Union High School District's Certificates of Participation, (2012 Capital Projects), acquiring and leading of property for temporary housing of dislocated Authority, Improvement District, or District activities caused by bond projects and the leasing or acquisition of a transportation lot for school buses.

The allocation of bond proceeds will be affected by the Authority, the Improvement District, or the District, as applicable, receipt of State matching funds and the final costs of each project. Approval of Measure \_\_\_\_ does not guarantee that the proposed project or projects in the Authority, the Improvement District, or the District that are the subject of bonds under Measure \_\_\_\_ will be funded beyond the local revenues generated by Measure \_\_\_\_\_. The school district's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. In the absence of State matching funds, which the Authority, the Improvement District, or the District, as applicable, will aggressively pursue to reduce the Authority's, the Improvement District, or the District, each as applicable, share of the costs of the projects, the Authority, the Improvement District, or the District, respectively, may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the Authority's, the Improvement District's, or the District's, control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board of Directors of the Authority determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the Authority, the Improvement District, or the District, as applicable, for the cost of staff when performing work on or necessary and incidental to bond projects.

Projects financed with bond proceeds will be subject to oversight of a professional construction/program management firm.

As required by the California Constitution, the proceeds from the sale of the bonds will be used only for the provision of school facilities by construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. The proceeds of the bonds will be deposited to a special fund and the Assistant Superintendent, Business Services of the District as applicable, will annually file a report with the Board of Directors of the Authority,

which report shall contain information regarding the amount of funds collected and expended, and the status of the projects listed in the ballot measure.

The Authority's Board will conduct an annual, independent performance audit to ensure that the funds have been expended only on the project list set forth above.

The Authority's Board will conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects.

Pursuant to Section 15772 of the Education Code, the Authority's Board will appoint a citizens oversight committee and conduct annual independent audits to assure that funds are spent only on school and classroom improvements and for no other purposes. No employees or vendors of the Authority, the Improvement District, or the Districts shall be allowed to serve on the citizens oversight committee.

**NO ADMINISTRATOR SALARIES.** PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF DISTRICT FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING PENSIONS, TEACHER AND ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

**FISCAL ACCOUNTABILITY.** THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE (EDUCATION CODE SECTION 15278 *ET SEQ.*) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATIVES OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO EMPLOYEES OR VENDORS OF THE AUTHORITY, THE IMPROVEMENT DISTRICT, OR THE DISTRICTS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

## **EXHIBIT B**

### **SHORT FORM OF BOND MEASURE**

**“To protect students from earthquakes, asbestos, lead paint and other safety hazards, enhance opportunities for career and academic success at schools, including Hawthorne, Lawndale and Leuzinger High Schools, shall the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority issue \$110 million in bonds, at legal rates, to modernize and construct schools, including classrooms, science labs and arts facilities, replace aging plumbing, electrical, and security systems, with mandatory audits and independent citizen oversight, ensuring funds stay local with no money for administrator salaries?”**

## **EXHIBIT C**

### **TAX RATE STATEMENT CONCERNING MEASURE \_\_**

#### **TAX RATE STATEMENT REGARDING PROPOSED**

**\$110,000,000**

#### **SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2016-1 OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY GENERAL OBLIGATION BONDS**

An election will be held in the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority (the "Improvement District") on November 8, 2016 for the purpose of submitting to the electors of the Improvement District the question of issuing bonds of the Improvement District in the principal amount of \$110,000,000. If such bonds are authorized and sold, the principal thereof and interest thereon will be payable from the proceeds of taxes levied on the taxable property in the Improvement District. The following information regarding tax rates is given to comply with Section 9401 of the California Elections Code. This information is based upon the best estimates and projections presently available from official sources, upon experience within the Improvement District and other demonstrable factors.

Based upon the foregoing and projections of the assessed valuations of taxable property in the Improvement District, and assuming the entire debt service on the bonds will be paid through property taxation:

1. The best estimate from official sources of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the first sale of the bonds, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the Improvement District or other demonstrable factors, is \$0.030 per \$100 (\$30.00 per \$100,000) of assessed valuation of all property to be taxed for the year 2017-18.
2. The best estimate from official sources of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the last sale of the bonds and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the Improvement District or other demonstrable factors, is \$0.030 per \$100 (\$30.00 per \$100,000) of assessed valuation of all property to be taxed and the year 2023-24.
3. The best estimate from official sources of the highest tax rate that would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the Improvement District or other demonstrable factors, is \$0.030 per \$100 (\$30.00 per \$100,000) of assessed valuation of all property to be taxed which is projected to be the same in every fiscal year the Bonds remain outstanding.
4. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$308 million

Attention of voters is directed to the fact that the foregoing information is based upon projections and estimates. The actual timing of sales of the bonds and the amount to be sold at any time will be governed by the needs of the Improvement District and other factors. The actual interest rates at which the bonds will be sold, which will not exceed the maximum permitted by law, will depend upon the bond market at the time of sale. The actual assessed valuations in future years will depend upon the value of property within the Improvement District as determined in the assessment and the equalization process. Therefore, the actual tax rates and the years in which those tax rates will be applicable may vary from those presently estimated and stated above.

*Hon. Hugo M. Rojas II*

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Chairperson, Board of Directors  
Local Public Schools Funding Authority

## **RESOLUTION NO. 16-17/002**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY DECLARING ITS INTENTION TO FORM A SCHOOL FACILITIES IMPROVEMENT DISTRICT**

**WHEREAS**, the Local Public School Funding Authority (the "Authority") is a joint exercise of powers authority organized pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5 (Joint Exercise of Powers) of Division 7 (Miscellaneous) of Title 1 of the California Government Code; and

**WHEREAS**, the Authority is also governed by special legislation codified under Article 9 (Formation of the Wiseburn Unified School District, Bonded Indebtedness and Revenue Limit (commencing with Section 35580 of Chapter 3 (Reorganization of School Districts – General Provisions) of Part 21 (Local Educational Agencies) of Division 3 (Local Administration) of Title 2 of the Education Code (hereinafter, the "Special Legislation"); and

**WHEREAS**, the Authority is also governed by a joint exercise of powers agreement entitled "Joint Exercise of Powers Agreement to Establish the Local Public Schools Funding Authority" dated as of May 25, 2012 (hereinafter, the "Joint Powers Agreement"); and

**WHEREAS**, the original members of the Joint Powers Agreement were the Centinela Valley Union High School District and the Wiseburn School District, each a public school district duly formed and operating within the boundaries of the County of Los Angeles; and

**WHEREAS**, the current members of the Joint Powers Agreement are the Centinela Valley Union High School District and the Wiseburn Unified School District, the successor entity to the Wiseburn School District; and

**WHEREAS**, Education Code Section 35586, which is included as part of the Special Legislation, allows the governing board of the Authority to proceed with certain activities which the two school districts are otherwise empowered to undertake, including the formation of a school facilities improvement district authorized pursuant to Chapter 2 (Bonds of School Facilities Improvement District) of Part 10 (School Bonds) of Division 1 (General Education Code Provisions) of Title 1 of the California Education Code (Education Code Section 15300 et seq.) (the "Act") which provides for the formation of school facilities improvement districts consisting of a portion of the territory within a school district for the issuance of general obligation bonds for a school facilities improvement district; and

**WHEREAS**, Section 12 (Power to Form School Facilities Improvement District ("SFID") and Issue Bonds of the SFID) of the Joint Powers Agreement further provides:

- The Authority shall have the common power of its members to form a school facilities improvement district ("SFID") pursuant to the Act and issue bonds under the same statutes;
- Any SFID formed by the Authority may encompass less than all parcels within the combined boundaries of the Authority's members, provided, however, that the Authority shall not have the power to form an SFID which encompasses any parcel within the Wiseburn Unified School District which is designated for residential use;
- The provisions of State law which would apply to the Authority's members or any SFID formed by any of the Authority's members, when calling or conducting an election, shall apply to the Authority to the extent such provisions do not conflict with the Joint Powers Agreement;
- The affirmative vote of four members of the Authority's Board of Directors shall be sufficient to establish an SFID;
- A resolution call for the issuance of bonds of an SFID shall clearly identify which projects are to be financed with the bonds for which Authority member and how bond proceeds are to be allocated between respective project or building funds and debt service funds if the bonds are proposed to finance projects of more than one Authority member;
- Each Authority member shall remain responsible and liable for the construction of public facilities which are financed by the JPA or the SFID for their use and benefit and title to facilities constructed with bonds of the JPA or the SFID shall vest solely in the individual member; and

**WHEREAS**, the parcels designated for residential use within the Wiseburn Unified School District, and not included in the SFID, are defined by Los Angeles County Land Use codes as only properties that have a 01 through 09 leading primary residential designation; and

**WHEREAS**, for the purposes of financing certain high school facilities as authorized under the provisions of the Act, the Authority, on its own initiative, intends to establish a school facilities improvement district within the boundaries of the Authority, which improvement district will have the boundaries described and depicted in the map and description attached and incorporated hereto as Exhibit "A" (hereinafter, the "Boundary Map"); and

**WHEREAS**, the proposed school facilities improvement district lies entirely within the County of Los Angeles and shall be known as the School Facilities Improvement District No 2016-1 of the Local Public Schools Funding Authority ("SFID No. 2016-1");

and

**WHEREAS**, the Board of Directors of the Authority (the "Board") hereby finds that it is necessary and in its best interest to form SFID No. 2016-1 to finance high school improvements pursuant to the Act, the Special Legislation and the Joint Powers Agreement and to finance any or all of the improvements set forth in Education Code Sections 15100 and 15264 et seq, and the overall cost of financing the bonds issued pursuant to the Act would be less than the overall cost of other school facilities financing options available to the District, including but not limited to the costs relative to the issuance of bonds under the Mello-Roos Act (as defined below); and

**WHEREAS**, the Board, in accordance with the Act, the Special Legislation and the Joint Powers Agreement, and on the basis of its findings, above, desires to form SFID No. 2016-1;

**WHEREAS**, neither the Authority, nor its member agencies individual previously formed any community facilities districts pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Mello-Roos Act"), as set forth in Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code and has determined that the requirements set forth in Sections 15301(a) and 15301(b) of the Act will not be applicable to the District; and

**WHEREAS**, the City of Hawthorne did form Community Facilities District No. 2004-1, which benefitted the member districts of the Authority, and the Authority has determined that all parcels within Community Facilities District No 2004-1 are parcels designated for residential use within the Wiseburn Unified School District, and thereby not included in the SFID, and that the requirements set forth in Sections 15301(a) and 15301(b) of the Act will not be applicable to the District; and

**WHEREAS**, the Board shall comply with Section 54902 of the Government Code which requires the filing with the County Assessor and the State Board of Equalization of a map specifically identifying property located within SFID No. 2016-1 and property which is within the boundaries of the Authority and not located within the boundaries of SFID No. 2016-1; and

**WHEREAS**, Section 15303 of the Act requires that the Board of Supervisors of Los Angeles County (the "County") adopt a resolution to make the provisions of the Act to be applicable in the County; and

**WHEREAS**, the Board of Supervisors of the County is expected to adopt a resolution authorizing the formation of the SFID no later than August 2, 2016; and

**WHEREAS**, the Board has determined it necessary to form SFID No. 2016-1 under the Act within the area described and depicted in the Boundary Map for the

issuance of general obligation bonds for SFID No. 2016-1; and

**WHEREAS**, the Board desires to adopt this Resolution of Intention in compliance with Section 15320 of the Act.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The above recitals are true and correct and are incorporated herein as if fully set forth.

**SECTION 2.** It is the intention of the Board to form a school facilities improvement district. The name of the proposed school facilities improvement district shall be the "School Facilities Improvement District No 2016-1 of the Local Public Schools Funding Authority" and is referred to herein as the "Improvement District" or "SFID No. 2016-1". The Improvement District is being formed to facilitate the issuance of general obligation bonds for the Improvement District and to finance the costs of high school facilities and equipment (as more fully described in Exhibit B, the "Facilities") to be acquired, renovated and constructed within the boundaries of the Improvement District, as described and depicted in the Boundary Map, consistent with the requirements set forth in Education Code Sections 15100 and 15264 et seq. The Boundary Map shows the exterior boundaries of the Improvement District, is on file with the Board and is available for inspection by the public.

**SECTION 3.** The Board has determined that the estimated cost of the Facilities will be approximately \$130 Million. A description of the Facilities is set forth in **Exhibit "B"** attached hereto.

**SECTION 4.** It is the intention of the Board to levy an annual tax in an amount sufficient to pay the principal of and interest on the general obligation bonds to be issued by the Improvement District in one or more series to finance the cost of the Facilities. Such tax will be levied exclusively upon property in the Improvement District for the purpose of repaying the general obligation bonds for the Improvement District.

**SECTION 5.** The Board hereby finds that it is necessary and in its best interest to form SFID No. 2016-1 to finance high school improvements pursuant to the Act, the Special Legislation and the Joint Powers Agreement and to finance any or all of the improvements set forth in Education Code Sections 15100 and 15264 et seq, and the overall cost of financing the bonds issued pursuant to the Act would be less than the overall cost of other school facilities financing options available to the District, including but not limited to the costs relative to the issuance of bonds under the Mello-Roos Community Facilities Act of 1982, as amended (the "Mello-Roos Act"), as set forth in Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code and has determined that the requirements set forth in Sections


15301(a) and 15301(b) of the Act will not be applicable to SFID No. 2016-1.

**SECTION 6.** A public hearing (the "Hearing") on the establishment of the proposed Improvement District shall be held on August 4, 2016 at 5:05 p.m., or as soon thereafter as practicable, at the Centinela Valley Union High School District Board Room located at 14901 South Inglewood Avenue, Lawndale, CA 90260. At the time and place set forth above for the Hearing, the Board will receive testimony as to whether the proposed Improvement District shall be established. At the time and place set forth above for the Hearing, any interested person, including all persons owning lands within the territorial boundaries of the Authority or in the proposed Improvement District may appear and be heard.

**SECTION 7.** The Treasurer of the Board is directed to cause to be published a notice (the "Notice") of the Hearing and pursuant to Section 6066 of the Government Code once a week for two successive weeks in a newspaper of general circulation published in Los Angeles County. Such Notice shall contain the text of this Resolution of Intention and shall be published at least fourteen (14) days prior to the date fixed for the Hearing.

**SECTION 8.** This Resolution of Intention shall take effect immediately upon its passage.

PASSED, APPROVED and ADOPTED by the Board of Directors of the Local Public Schools Funding Authority on this 18<sup>th</sup> day of July 2016.

  
\_\_\_\_\_  
Hugo M. Rojas II  
Chairperson

ATTEST:


  
\_\_\_\_\_

EXHIBIT "A"  
[BOUNDARY MAP]

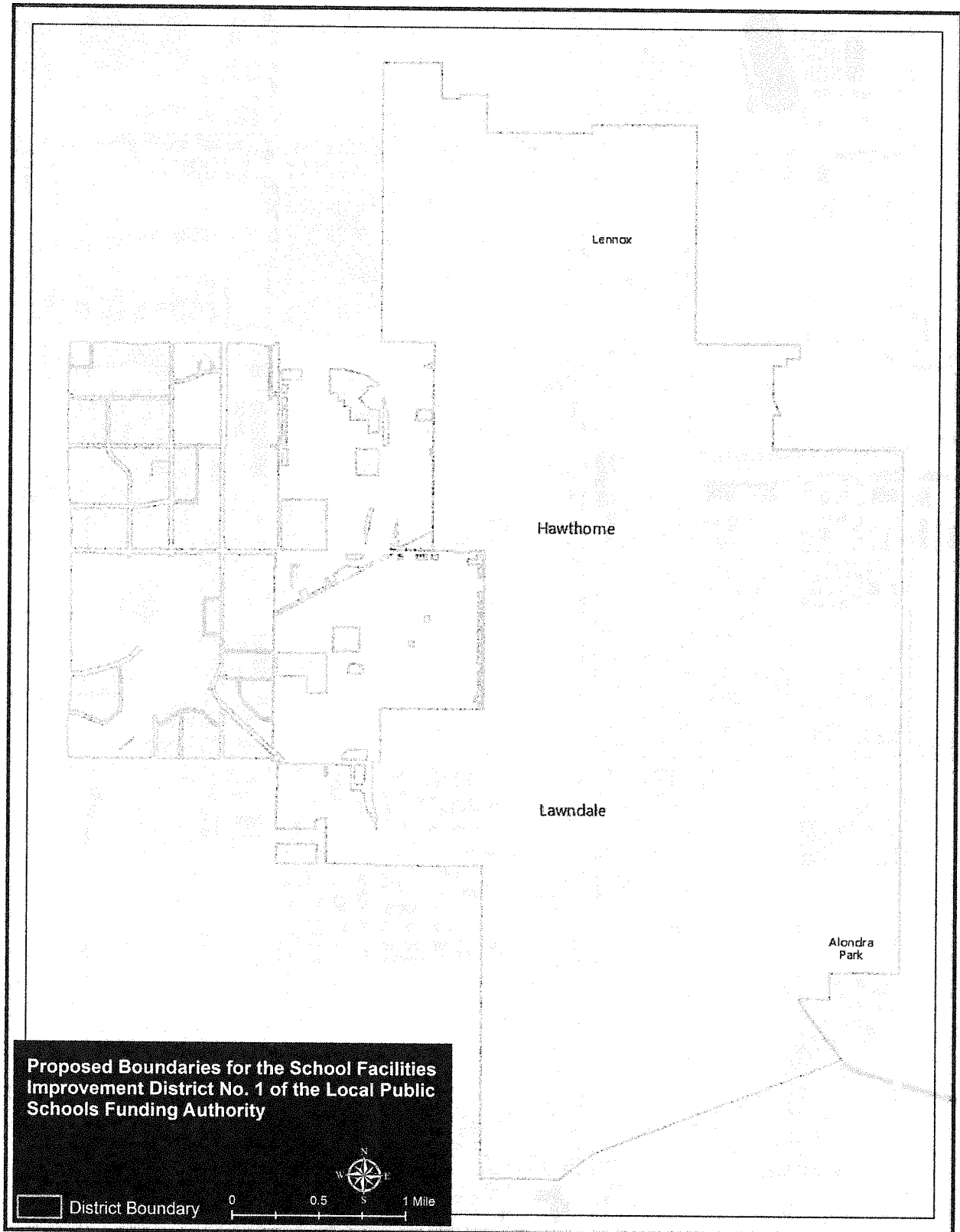


EXHIBIT "B"  
[DESCRIPTION OF THE FACILITIES]

The Facilities to be financed by the Improvement District include the acquisition, construction, repair, upgrading, and equipping of classrooms, property, sites and elementary school facilities throughout the Improvement District. Project costs include the costs of design, planning, environmental review and remediation, and any secondary effect costs.

The Board of Directors of the Local Public Schools Funding Authority, acting on behalf of the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority (the "District"), evaluated the District's urgent and critical school needs, including school and student safety issues, enrollment trends, class size, high school overcrowding, energy efficiency and computer technology, school safety from gangs, crime and drugs, seismic safety requirements, and aging, outdated or deteriorating school buildings in developing the scope of projects to be funded. The Project List set forth below is an integral part of this measure.

Proceeds from the sale of bonds will be used for the following specific schools facilities projects, including the repayment of lease obligations which financed any of the following projects:

School Health and Safety, Earthquake Safety  
and Energy Efficiency School Projects

- Remove or abate all asbestos, lead paint, mold and all hazardous materials.
- Upgrade fire alarm systems to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors.
- Upgrade water system so there is safe drinking water on all campuses.
- Upgrade to schools to meet handicap accessibility requirements.
- Strengthen and repair older schools and classrooms vulnerable to serious damage in a major earthquake, as required by State law.
- Inspect for/repair gas pipe leaks.
- Install new security systems, such as security (surveillance) cameras, outdoor lighting, and classroom door locks.
- Replace/upgrade existing security systems.
- Fix school drainage systems to stop flooding during rain season.
- Install energy efficient systems.
- Replace existing window systems with energy efficient systems.
- Relocate or improve student drop-off areas for safety, including a separate area for buses.

- Inspect and improve play area fields for safety and drainage.
- Replace existing doors and doorframes.
- Add emergency exits for faster evacuation in an emergency.
- Upgrade school site parking, utilities and grounds.
- Repair termite damage to structures and doors/doorframes.
- Install pedestrian bridges, fencing and signage.
- All other construction, installation, and maintenance projects as needed for health and safety.

#### School Renovation, Repair and Upgrade Projects

- Replace existing wiring systems to meet current electrical and accessibility codes and increased capacity and allow computers in classroom.
- Additional electrical service capacity to relieve currently overloaded electrical systems.
- Replace existing water, sewer and plumbing systems to meet current codes, including the elimination of lead-containing fixtures.
- Upgrade aging and deteriorating school restrooms.
- Replace older heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.
- Install code-compliant ventilating systems in restrooms.
- Provide improved, upgraded computer labs.
- Upgrade and equip classrooms, science labs, multipurpose rooms, physical education facilities, kitchens, auditoriums, libraries, arts and music rooms, childcare, preschool, adult education and educational support spaces.
- Classroom interiors will receive new paint, carpet/vinyl tile/asbestos abatement, white marker boards, tackable surfaces, storage-for instructional materials and equipment.
- Repair, upgrade and replace worn-out leaking roofs.
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, staff and student restrooms, relocation of some existing electrical devices.
- Replace old, portable classrooms.
- Repair aging schools.
- All other projects for the renovation, repair and upgrade of deteriorating, outdated school buildings, cafeterias and food services facilities, gymnasium and athletic

facilities, performing arts facilities, science labs, classrooms, computer learning centers and school libraries and equipment.

District-Wide Wiring and Instructional Technology  
For Effective Learning Environment Projects

- Upgrade and expand electrical systems, telecommunications, Internet and network connections, so all classrooms can have computers.
- All other projects for the installation, repair and upgrade of modern technology infrastructure to improve current instruction methods and to expand job training programs.

Childcare and After-School Facilities Projects

- Development and acquisition of facilities and equipment to offer training to students for jobs in health, engineering and other professions.
- Remodel and improve existing childcare and after-school program facilities.
- Upgrade technology used in job training programs.

New Construction, Development and Joint Use Projects

- Construction, development and acquisition of multi-purpose rooms, gymnasium and athletics facilities, media centers, visual and performing arts facilities, cafeterias and food services facilities, staff and student bathrooms, storage, educational support spaces, classrooms and classroom buildings, and parking lots for staff and visitors.
- Construction and development of additional electrical service capacity.
- Construction, development and acquisition of joint-use facilities which may include libraries, child care centers, multi-purpose rooms, aquatics center, gymnasiums and athletics facilities, media centers, visual and performing arts facilities, and health care facilities.
- Construction, development and acquisition of facilities for administrative offices, adult education and vocational training.
- Site demolition and grading as necessary for construction and development of facilities.

The projects listed above will be completed as needed. Each project will include its share of architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the projects stated above, proceeds from the sale of bonds will also be used for payment of facility related construction costs which have been determined to be owed by the District judicially or by mediation, arbitration or settlement, the acquisition of land, the acquisition and releasing of pool facilities, the remodeling of administrative support spaces, the payment of the costs of preparation of all facility planning, facility assessment reviews, facility

master plan updates, environmental studies (including environmental investigation, remediation and monitoring) and construction documentation, the acquisition or prepayment of outstanding ground leases, temporary housing of dislocated District activities caused by bond projects and the leasing or acquisition of a transportation lot for school buses.

The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District will not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects.

Projects financed with bond proceeds will be subject to oversight of a professional construction/program management firm.

As required by the California Constitution, the proceeds from the sale of the bonds will be used only for the provision of school facilities by construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. The proceeds of the bonds will be deposited to a special fund and the chief fiscal officer of the District will annually file a report with the Board of Education of the District, which report shall contain information regarding the amount of funds collected and expended, and the status of the projects listed in the ballot measure.

The District's Board will conduct an annual, independent performance audit to ensure that the funds have been expended only on the project list set forth above.

The District's Board will conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects.

## **RESOLUTION NO. 16-17/004**

### **A RESOLUTION OF FORMATION OF THE BOARD OF DIRECTORS OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY IN CONNECTION WITH THE FORMATION OF THE SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2016-1 OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY AND TO AUTHORIZE CERTAIN OTHER ACTIONS.**

**WHEREAS**, the Local Public Schools Funding Authority (the "Authority") is a joint exercise of powers authority organized pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5 (Joint Exercise of Powers) of Division 7 (Miscellaneous) of Title 1 of the California Government Code; and

**WHEREAS**, the Authority is also governed by special legislation codified under Article 9 (Formation of the Wiseburn Unified School District, Bonded Indebtedness and Revenue Limit (commencing with Section 35580 of Chapter 3 (Reorganization of School Districts – General Provisions) of Part 21 (Local Educational Agencies) of Division 3 (Local Administration) of Title 2 of the Education Code (hereinafter, the "Special Legislation"); and

**WHEREAS**, the Authority is also governed by a joint exercise of powers agreement entitled "Joint Exercise of Powers Agreement to Establish the Local Public Schools Funding Authority" dated as of May 25, 2012 (hereinafter, the "Joint Powers Agreement"); and

**WHEREAS**, the original members of the Joint Powers Agreement were the Centinela Valley Union High School District and the Wiseburn School District, each a public school district duly formed and operating within the boundaries of the County of Los Angeles (the "County"); and

**WHEREAS**, the current members of the Joint Powers Agreement are the Centinela Valley Union High School District (the "District") and the Wiseburn Unified School District, the successor entity to the Wiseburn School District ("Wiseburn" and, together with the District, the "Districts", and each a "Member"); and

**WHEREAS**, Education Code Section 35586, which is included as part of the Special Legislation, allows the governing board of the Authority to proceed with certain activities which the two school districts are otherwise empowered to undertake, including the formation of a school facilities improvement district authorized pursuant to Chapter 2 (Bonds of School Facilities Improvement District) of Part 10 (School Bonds) of Division 1 (General Education Code Provisions) of Title 1 of the California Education Code (Education Code Section 15300 et seq.) (the "Act") which provides for the formation of school facilities improvement districts consisting of a portion of the territory within a school district for the issuance of general obligation bonds for a school facilities improvement district; and

**WHEREAS**, Section 12 (Power to Form School Facilities Improvement District ("SFID") and Issue Bonds of the SFID) of the Joint Powers Agreement further provides:

- The Authority shall have the common power of its members to form a school facilities improvement district ("SFID") pursuant to the Act and issue bonds under the same statutes;
- Any SFID formed by the Authority may encompass less than all parcels within the combined boundaries of the Authority's members, provided, however, that the Authority shall not have the power to form an SFID which encompasses any parcel within the Wiseburn Unified School District which is designated for residential use;
- The provisions of State law which would apply to the Authority's members or any SFID formed by any of the Authority's members, when calling or conducting an election, shall apply to the Authority to the extent such provisions do not conflict with the Joint Powers Agreement;
- The affirmative vote of four members of the Authority's Board of Directors shall be sufficient to establish an SFID;
- A resolution call for the issuance of bonds of an SFID shall clearly identify which projects are to be financed with the bonds for which Authority member and how bond proceeds are to be allocated between respective project or building funds and debt service funds if the bonds are proposed to finance projects of more than one Authority member;
- Each Authority member shall remain responsible and liable for the construction of public facilities which are financed by the JPA or the SFID for their use and benefit and title to facilities constructed with bonds of the JPA or the SFID shall vest solely in the individual member; and

**WHEREAS**, the parcels designated for residential use within the Wiseburn Unified School District, and not included in the SFID, are defined by Los Angeles County Land Use codes as only properties that have a 01 through 09 leading primary residential designation; and

**WHEREAS**, for the purposes of financing certain high school facilities as authorized under the provisions of the Act, the Authority, on its own initiative, intends to form a school facilities improvement district within the boundaries of the Authority which improvement district will have the boundaries described and depicted in the map and description attached and incorporated hereto as Exhibit "A" (hereinafter, the "Boundary Map"); and

**WHEREAS**, the proposed school facilities improvement district lies entirely with the County of Los Angeles and shall be known as the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority (the "Improvement District" or "SFID No. 2016-1"); and

**WHEREAS**, neither the Authority, nor its member agencies individual previously formed any community facilities districts pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Mello-Roos Act"), as set forth in Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code and has determined that the requirements set forth in Sections 15301(a) and 15301(b) of the Act will not be applicable to the Authority, its Members or the Improvement District; and

**WHEREAS**, the City of Hawthorne did form Community Facilities District No. 2004-1, which benefitted the member districts of the Authority, and the Authority has determined that all parcels within Community Facilities District No 2004-1 are parcels designated for residential use within the Wiseburn Unified School District, and thereby not included in the SFID, and that the requirements set forth in Sections 15301(a) and 15301(b) of the Act will not be applicable to the District; and

**WHEREAS**, the Board of Directors of the Authority (the "Board") hereby finds that the overall cost of financing the bonds issued pursuant to the Act would be less than the overall cost of other school facilities financing options available to the Authority or its Members, including but not limited to the costs relative to the issuance of bonds under the Mello-Roos Act; and

**WHEREAS**, the Board shall comply with Section 54902 of the Government Code which requires the filing with the County Assessor and the State Board of Equalization of a map specifically identifying property located within the school facilities improvement district and property which is within the boundaries of the Authority and not located within the boundaries of the school facilities improvement district; and

**WHEREAS**, the Board, in accordance with the Act, the Special Legislation and the Joint Powers Agreement, and on the basis of its findings, above, desires to form a school facilities improvement district and hereby determines that it is necessary and in the best interest of the Authority to form a school facilities improvement district for high school improvements pursuant to the Act, the Special Legislation and the Joint Powers Agreement to finance any or all of the improvements set forth in Education Code Sections 15100 and 15264 et seq.;

**WHEREAS**, Section 15303 of the Act requires that both the board of supervisors of the county in which the county superintendent of schools having jurisdiction of the school district proposing to form the school facilities improvement district and the board of supervisors of the county in which territory lies within the proposed school facilities improvement district adopt a resolution to make the provisions of the Act to be applicable in such county; and

**WHEREAS**, on August 9, 2016, the Board of Supervisors of the County has adopted a resolution pursuant to Section 15303 of the Act to cause the provisions of the Act to be applicable within the County prior to the date hereof and to authorize the formation of the Improvement District; and

**WHEREAS**, the Board has determined it necessary to form a school facilities improvement district under the Act within the area described and depicted in the Boundary Map for the issuance of general obligation bonds for the proposed school facilities improvement district; and

**WHEREAS**, as required under Section 15320 of the Act, the Authority has previously adopted its Resolution No. 16-17/002 (the "Resolution of Intention") stating its intention to form the Improvement District, and has made certain determinations and findings required under the Act, including the determination that it is necessary and in the best interest of the Authority to form a school facilities improvement district pursuant to the Act to finance any or all of the improvements set forth in Education Code Sections 15100 and 15264 *et seq.*; and

**WHEREAS**, in connection with the hearing held on this day, the Authority has previously caused the publication of the notice of hearing as required under Section 15321 of the Act; and

**WHEREAS**, Section 15326 of the Education Code provides that at the conclusion of the hearing on the Resolution of Intention, the Board of Directors of the Authority may by resolution order the school facilities improvement district formed for the purpose and with the boundaries described in the Resolution of Intention; and

**WHEREAS**, on this date, the Board of Directors of the Authority has held the hearing on the Resolution of Intention as required in Section 15322 of the Act and desires to adopt this Resolution of Formation to cause the formation of the Improvement District, all as provided in the Act;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOCAL PUBLIC SCHOOLS FUNDING AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The above recitals are true and correct and are incorporated herein as if fully set forth in the body of this Resolution of Formation.

**SECTION 2.** The Board of Directors of the Authority hereby orders the formation of the proposed school facilities improvement district and hereby designates the name "School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority" with respect to said school facilities improvement district. Such school facilities improvement district shall be referred to in this Resolution of Formation as the "Improvement District". The exterior boundaries of the Improvement District shall be as depicted in the map (hereinafter, the "Boundary Map") placed on file with the Secretary of the Board of Directors and is available for inspection by the public. The Boundary Map is attached and incorporated hereto as Exhibit "A".

**SECTION 3.** The Improvement District is being formed to facilitate the issuance of general obligation bonds for the Improvement District to finance the costs of school facilities and equipment within the Improvement District generally described in Exhibit "B" hereto (the "Facilities"). This Board of Directors has determined that the Facilities are consistent with the purposes set forth in Education Code Sections 15100 and 15264 *et seq.* This Board of Directors has further determined that the estimated cost of the Facilities will not exceed \$130,000,000.

**SECTION 4.** As provided in Section 15327 of the Act, the Board of Directors of the Authority shall have the same rights, powers, duties and responsibilities with respect to the formation and government of the Improvement District as the Board of Directors has with respect to the Authority.

**SECTION 5.** This Resolution of Formation shall take effect immediately upon its passage.

PASSED, APPROVED and ADOPTED by the Board of Directors of the Local Public Schools Funding Authority on this 11th day of August, 2016.

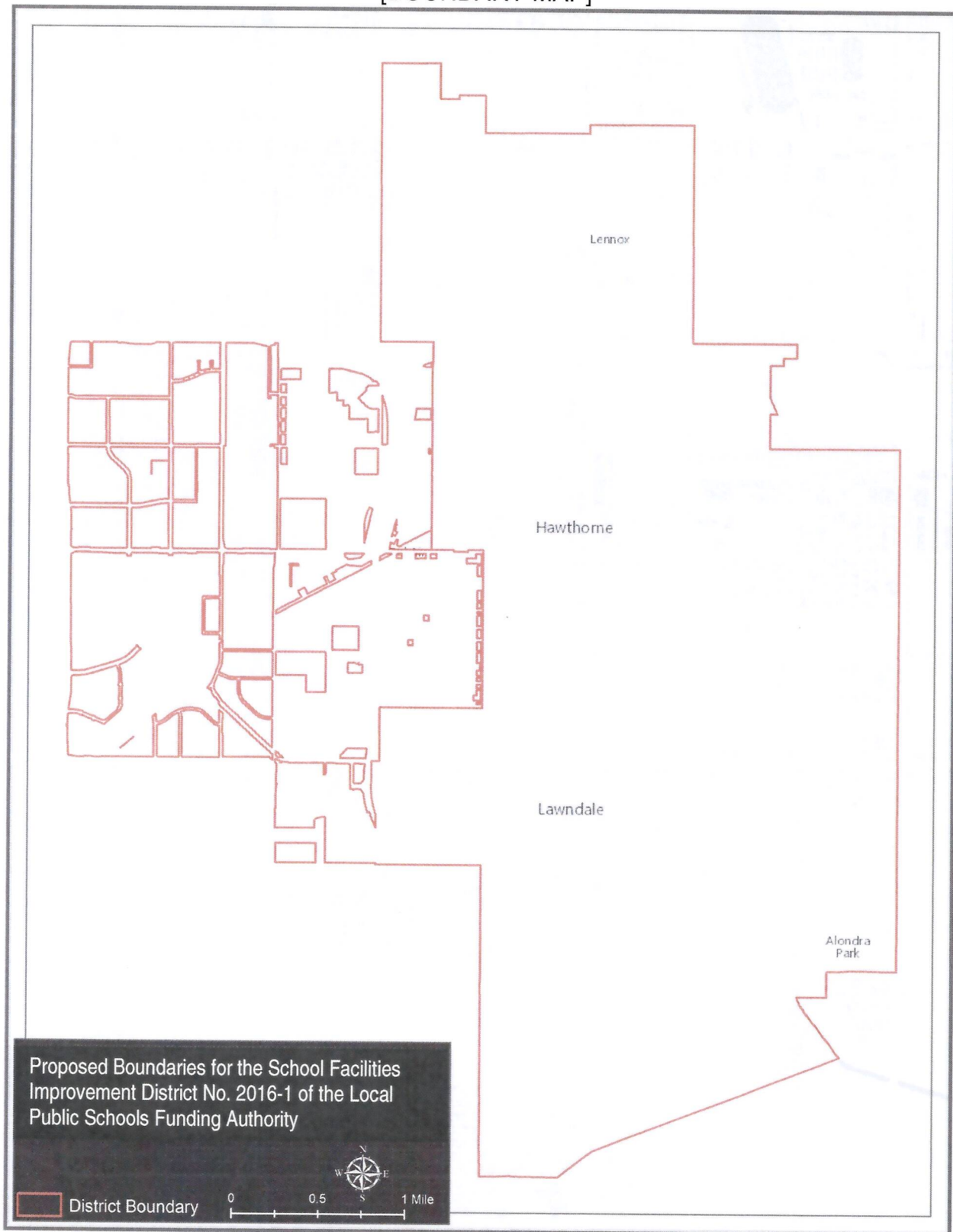
*Hon. Hugo M. Rojas II*

Hugo M. Rojas II  
Chairperson

ATTEST:

  
\_\_\_\_\_  
Gloria A. Ramos  
Clerk

EXHIBIT "A"  
[BOUNDARY MAP]



## EXHIBIT "B"

To protect students from earthquakes, asbestos, lead paint and other safety hazards, enhance opportunities for career and academic success at schools, including Hawthorne, Lawndale and Leuzinger High Schools, shall the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority issue \$110 million in bonds, at legal rates, to modernize and construct schools, including classrooms, science labs and arts facilities, replace aging plumbing, electrical, and security systems, with mandatory audits and independent citizen oversight, ensuring funds stay local with no money for administrator salaries?

### PROJECT LIST

The Board of Directors of the Local Public Schools Funding Authority, acting on behalf of the School Facilities Improvement District No. 2016-1 of the Local Public Schools Funding Authority, evaluated the District's urgent and critical school needs, including school and student safety issues, enrollment trends, class size, high school overcrowding, energy efficiency and computer technology, school safety from gangs, crime and drugs, seismic safety requirements, and aging, outdated or deteriorating school buildings in developing the scope of projects to be funded. The Project List set forth below is an integral part of this measure.

Proceeds from the sale of bonds will be used for the following specific schools facilities projects, including the repayment of lease obligations which financed any of the following projects:

#### School Health and Safety, Earthquake Safety and Energy Efficiency School Projects

- Remove or abate all asbestos, lead paint, mold and all hazardous materials.
- Upgrade fire alarm systems to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors.
- Upgrade water system so there is safe drinking water on all campuses.
- Upgrade to schools to meet handicap accessibility requirements.
- Strengthen and repair older schools and classrooms vulnerable to serious damage in a major earthquake, as required by State law.
- Inspect for/repair gas pipe leaks.
- Install new security systems, such as security (surveillance) cameras, outdoor lighting, and classroom door locks.
- Replace/upgrade existing security systems.
- Fix school drainage systems to stop flooding during rain season.
- Install energy efficient systems.
- Replace existing window systems with energy efficient systems.

- Relocate or improve student drop-off areas for safety, including a separate area for buses.
- Inspect and improve play area fields for safety and drainage.
- Replace existing doors and doorframes.
- Add emergency exits for faster evacuation in an emergency.
- Upgrade school site parking, utilities and grounds.
- Repair termite damage to structures and doors/doorframes.
- Install pedestrian bridges, fencing and signage.
- All other construction, installation, and maintenance projects as needed for health and safety.

#### School Renovation, Repair and Upgrade Projects

- Replace existing wiring systems to meet current electrical and accessibility codes and increased capacity and allow computers in classroom.
- Additional electrical service capacity to relieve currently overloaded electrical systems.
- Replace existing water, sewer and plumbing systems to meet current codes, including the elimination of lead-containing fixtures.
- Upgrade aging and deteriorating school restrooms.
- Replace older heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.
- Install code-compliant ventilating systems in restrooms.
- Provide improved, upgraded computer labs.
- Upgrade and equip classrooms, science labs, multipurpose rooms, physical education facilities, kitchens, auditoriums, libraries, arts and music rooms, childcare, preschool, adult education and educational support spaces.
- Classroom interiors will receive new paint, carpet/vinyl tile/asbestos abatement, white marker boards, tackable surfaces, storage-for instructional materials and equipment.
- Repair, upgrade and replace worn-out leaking roofs.
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, staff and student restrooms, relocation of some existing electrical devices.
- Replace old, portable classrooms.
- Repair aging schools.
- All other projects for the renovation, repair and upgrade of deteriorating, outdated school buildings, cafeterias and food services facilities, gymnasium and athletic

facilities, performing arts facilities, science labs, classrooms, computer learning centers and school libraries and equipment.

Wiring and Instructional Technology  
For Effective Learning Environment Projects

- Upgrade and expand electrical systems, telecommunications, Internet and network connections, so all classrooms can have computers.
- All other projects for the installation, repair and upgrade of modern technology infrastructure to improve current instruction methods and to expand job training programs.

Childcare and After-School Facilities Projects

- Development and acquisition of facilities and equipment to offer training to students for jobs in health, engineering and other professions.
- Remodel and improve existing childcare and after-school program facilities.
- Upgrade technology used in job training programs.

New Construction, Development and Joint Use Projects

- Construction, development and acquisition of multi-purpose rooms, gymnasium and athletics facilities, media centers, visual and performing arts facilities, cafeterias and food services facilities, staff and student bathrooms, storage, educational support spaces, classrooms and classroom buildings, and parking lots for staff and visitors.
- Construction and development of additional electrical service capacity.
- Construction, development and acquisition of joint-use facilities which may include libraries, child care centers, multi-purpose rooms, aquatics center, gymnasiums and athletics facilities, media centers, visual and performing arts facilities, and health care facilities.
- Construction, development and acquisition of facilities for administrative offices, adult education and vocational training.
- Site demolition and grading as necessary for construction and development of facilities.

The projects listed above will be completed as needed. Each project will include its share of architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the projects stated above, proceeds from the sale of bonds will also be used for payment of facility related construction costs which have been determined to be owed by the Authority, the Improvement District, or the District, as applicable, judicially or by mediation, arbitration or settlement, the acquisition of land, the acquisition and releasing of pool facilities, the remodeling of administrative support spaces, the payment of the costs of preparation of all facility planning, facility assessment reviews, facility master plan updates, environmental studies (including

environmental investigation, remediation and monitoring) and construction documentation, the acquisition or prepayment of outstanding ground leases, acquiring and leasing of real property for school facilities, including the purchase of leased facilities and the refinancing of outstanding lease obligations, including, but not limited to, the refinancing of Centinela Valley Union High School District's Certificates of Participation, (2012 Capital Projects), acquiring and leading of property for temporary housing of dislocated Authority, Improvement District, or District activities caused by bond projects and the leasing or acquisition of a transportation lot for school buses.

The allocation of bond proceeds will be affected by the Authority, the Improvement District, or the District, as applicable, receipt of State matching funds and the final costs of each project. Approval of Measure \_\_\_\_ does not guarantee that the proposed project or projects in the Authority, the Improvement District, or the District that are the subject of bonds under Measure \_\_\_\_ will be funded beyond the local revenues generated by Measure \_\_\_\_\_. The school district's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. In the absence of State matching funds, which the Authority, the Improvement District, or the District, as applicable, will aggressively pursue to reduce the Authority's, the Improvement District, or the District, each as applicable, share of the costs of the projects, the Authority, the Improvement District, or the District, respectively, may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the Authority's, the Improvement District's, or the District's, control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board of Directors of the Authority determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the Authority, the Improvement District, or the District, as applicable, for the cost of staff when performing work on or necessary and incidental to bond projects.